

**APPROVE ENTERING INTO AN AGREEMENT WITH C&M JV1 Co., LTD  
FOR MILK AND MILK PRODUCT**

**THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:**

Approve entering into an agreement with C&M JV1, Co., LTD to provide milk and milk product to the Department of Operations at a cost not to exceed \$12,203,484.34 per year. Vendor was selected on a competitive basis pursuant to Board Rule 5-4.1 and pursuant to duly advertised bid solicitation (Specification No. 05-250039). A written agreement for Vendor's services is currently being negotiated. No payment shall be made to Vendor prior to the execution of the written agreement. The authority granted herein shall automatically rescind in the event a written agreement is not executed within 90 days of the date of this Board Report. Information pertinent to this agreement is stated below.

**CONSULTANT:** C&M JV1 Co., LTD  
16408 S. Pulaski Road  
Markham, IL 60426  
Christine Stajszczak  
(708) 596-3436  
Vendor # 39550

**USER:** Department of Operations  
125 South Clark-16<sup>th</sup> Floor  
Chicago, IL 60603  
Sue Susanke  
(773) 553-2830

**TERM:** The term of this agreement shall commence on September 1, 2005 and shall end August 31, 2007. This agreement shall have two (2) options to renew for consecutive periods of one year each.

**EARLY TERMINATION RIGHT:** The Board shall have the right to terminate this agreement with 30 days written notice.

**SCOPE OF SERVICES:** Vendor shall provide the delivery of milk and milk products to Chicago Public Schools pursuant to the terms and conditions of the written agreement.

**DELIVERABLES:** Vendor will provide milk and milk products.

**OUTCOMES:** Vendor's services will result in the delivery of quality milk and milk products for the Chicago Public Schools.

**COMPENSATION:** Vendor shall be paid an amount not to exceed \$12,203,484.34 per year.

**AUTHORIZATION:** Authorize the General Counsel to include other relevant terms and conditions in the written agreement. Authorize the President and Secretary to execute the agreement. Authorize the Chief Operating Officer to execute all ancillary documents required to administer or effectuate this agreement.

**AFFIRMATIVE ACTION:** The M/WBE goals for this contract include: 26% total MBE and 5% total WBE. However, the Waiver Review Committee recommends that a partial waiver of the M/WBE participation goals for this contract as required by the Revised Remedial Plan be granted because the vendor has demonstrated good faith efforts.

FINAL

05-0824-PR8

The Vendor has, however, identified and scheduled the following firms and percentages:

**Total African American - .02%**

World's Printing & Specialties Co., Ltd. - .01%  
233 North Michigan Avenue, Concourse Level  
Chicago, Illinois 60601

certified through 09/11/05

Merchandise Distributors K.W., Inc. - .01%  
4253 North Kedzie  
Chicago, Illinois 60618

certified through 10/01/05

**Total Hispanic - .8%**

Petromex, Inc.  
14702 South Hamlin Ave.  
Midlothian, Illinois 60445

certified through 08/01/05

Mr. Marcus Nunes  
651 West Washington, Suite #202  
Chicago, Illinois 60661

Independent Consultant

**Total WBE – 7%**

Krystal Dairy, Inc. – 2%  
18121 Highland Avenue  
Homewood, Illinois 60430

certified through 09/01/05

C & C Dairy, Inc. – 5%  
P.O. Box 474  
Palos Heights, Illinois 60463

certified through 09/01/05

**LSC REVIEW:** Local School Council approval is not applicable to this report.

**FINANCIAL:** Charge to Operations: \$12,203, 484.34-FY06  
Budget Classification: 0941-270-000-7050-5340  
Source of Funds: Lunchroom Funds

**GENERAL CONDITIONS:**

Inspector General – Each party to the agreement shall acknowledge that, in accordance with 105 ILCS 5/34-13.1, the Inspector General of the Chicago Board of Education has the authority to conduct certain investigations and that the Inspector General shall have access to all information and personnel necessary to conduct those investigations.


Conflicts – The agreement shall not be legally binding on the Board if entered into in violation of the provisions of 105 ILCS 5/34-21.3 which restricts the employment of, or the letting of contracts to, former Board members during the one year period following expiration or other termination of their terms of office.

Indebtedness – The Board's Indebtedness Policy adopted June 26, 1996 (96-0626-PO3), as amended from time to time, shall be incorporated into and made a part of the agreement.

Ethics – The Board's Ethics Code adopted June 23, 2004 (04-0623-PO4), as amended from time to time, shall be incorporated into and made a part of the agreement.

Contingent Liability – The agreement shall contain the clause that any expenditure beyond the current fiscal year is deemed a contingent liability, subject to appropriation in the subsequent fiscal year budget(s).

**Approved for Consideration:**

  
Heather A. Obora  
Chief Purchasing Officer


**Approved:**

  
Arne Duncan  
Chief Executive Officer

**Within Appropriation:**

  
John Maiorca  
Chief Financial Officer

**Approved as to legal form:** *gt*

  
Patrick J. Rocks  
General Counsel